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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, NOVEMBER 21, 2002

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2002-01296

NONPROFITS INSURANCE COMPANY,

Defendant

ORDER SUSPENDING LICENSE

Nonprofits Insurance Company, a foreign corporation domiciled in the State of Minnesota and licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia ("Defendant"), is required to maintain minimum capital of \$1,000,000 and minimum surplus of \$3,000,000.

Defendant, prior to May 1, 2002, was a Minnesota-domiciled reciprocal under the name of Nonprofits' Insurance Association, an Interinsurance Exchange, that originally was licensed by the Commission on December 7, 1994.

The Quarterly Statement of Defendant, dated June 30, 2002, and filed with the Commission's Bureau of Insurance, indicates capital of \$3,000,000, and surplus of \$1,538,171.

By letter dated November 1, 2002, and accompanying affidavit of Fred A. Mauck, Vice President of Defendant, dated November 1, 2002, and filed with the Clerk of the Commission on

November 20, 2002, Defendant has voluntarily consented to the suspension of its license to transact the business of insurance in the Commonwealth of Virginia until such time as Defendant shall have increased its surplus to the amount required by law.

THEREFORE, IT IS ORDERED THAT:

(1) Pursuant to Defendant's voluntary consent and § 38.2-1040 of the Code of Virginia, the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia until further order of the Commission;

(3) The appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(4) Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia until further order of the Commission;

(5) The Bureau of Insurance shall cause an attested copy of this Order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) The Bureau of Insurance shall cause notice of the suspension of Defendant's license to be published in the manner set forth in § 38.2-1043 of the Code of Virginia.